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FACT SHEET

PRESIDENT CLINTON'S PROPOSAL TO PROVIDE FREE TELEVISION TIME TO CANDIDATES
Free TV for Straight Talk Coalition
National Press Club
March 11, 1997

Today, President Clinton will speak to the *Free TV for Straight Talk Coalition*, the group founded by journalist Paul Taylor to urge free TV time for candidates. The President will:

- Renew his call for comprehensive campaign finance reform. He will again urge passage of the bipartisan reform legislation that provides free TV time for candidates.
- Propose that digital television broadcasters be required to provide free time to candidates.
- Sign an executive order establishing a panel to propose the elements of new public interest obligations for digital television broadcasters.
- Challenge broadcasters to provide free time without delay.

PRESIDENT CLINTON AND FREE BROADCAST TIME

President Clinton has strongly supported providing free broadcast time to candidates as a part of comprehensive campaign finance reform. In *Putting People First*, he wrote, "We will push for and sign strong campaign finance legislation to ... lower the cost of airtime so that television becomes an instrument of education, not a weapon of political assassination." In 1993, the President proposed a campaign finance plan that gave candidates who agreed to limit their spending broadcast vouchers, as well as reduced broadcast rates.

As a Member of Congress, Vice President Gore proposed legislation that would require broadcasters to provide broadcasting time to candidates (S. 2923, 1988).

1. COMPREHENSIVE CAMPAIGN FINANCE REFORM LEGISLATION (McCAIN-FEINGOLD/SHAYS-MEEHAN)

In the State-of-the-Union Address, President Clinton called on Congress to pass comprehensive bipartisan campaign finance reform legislation by July 4. The legislation was introduced by Sens. John McCain (R-AZ) and Russ Feingold (D-WI), and Reps. Chris Shays (R-CT) and Marty Meehan (D-MA). Its provisions include:

Spending limits. Candidates would voluntarily limit their spending (to $600,000 per cycle, adjusted for inflation, in House races; at a rate based on state voting age population, in Senate races).

Free and discounted broadcast time. Candidates who agree to the spending limits would be eligible to receive free broadcast time.

- Senate candidate would receive 30 minutes of free time.
- Senate and House candidates would be eligible for a deep discount on broadcast advertising rates -- 50% of the "lowest unit rate" (the lowest rate customarily charged to advertisers) for time purchased within 60 days of the general election and 30 days of the primary election.

PACs. The legislation would restrict PAC contributions (House version) or ban them altogether (Senate version), and impose aggregate PAC limits.

Bans soft money.

2. PRESIDENT CLINTON PROPOSES NEW PUBLIC INTEREST OBLIGATION FOR DIGITAL TELEVISION BROADCASTERS

Background: For decades, broadcasters have been required to meet public interest obligations as a condition of their licenses. Today, for example, broadcasters are required to air children's programming under this public interest obligation. In coming years, broadcasters will make the transition from analog signals to digital signals, giving them the ability to transmit more channels, sharper pictures, or other commercial services once they are licensed. The Federal Communications Commission (FCC) is now debating what the public interest obligation of digital television broadcasters ought to be.

Proposal: Today, the President called on the FCC to make free airtime for candidates a public interest obligation required of digital television broadcasters who receive digital licenses.

The President set forth broad conceptual guidelines for such time: He urged that it be made available to all qualified federal candidates; it should give candidates a chance to talk directly to voters, without gimmicks and without intermediaries; and it should be made available especially to those candidates who limit their own spending. He did not take a position on the amount of time that should be made available, or on any of the specific plans that should be considered. Such plans include a "broadcast bank" proposed by FCC Chair Reed Hundt, and free TV plans proposed by *Straight Talk* director Paul Taylor and political scientists Norman Ornstein and Thomas Mann.

3. EXECUTIVE ORDER ESTABLISHES NEW ADVISORY COMMITTEE

Background: To advance the debate on digital TV broadcasters' public interest obligations, on February 5, the Vice President announced that the President would form a special group to study what the obligations ought to be and report back within one year. The announcement emphasized that, in the meantime, the President wished the FCC to move expeditiously on the other steps needed to make the transition to digital television broadcasting.

The Executive Order: The President is signing an executive order that establishes an independent "Advisory Committee on Public Interest Obligations of Digital Television Broadcasters." It will have fifteen members appointed by the President from the private sector, representing the commercial and noncommercial broadcasters, computer industries, producers, academic institutions, public interest organizations and the advertising community.

Its charge is to report to the Vice President by June 1, 1998 on the public interest obligations that digital TV broadcasters should assume.

4. CHALLENGES BROADCASTERS TO PROVIDE FREE TV TIME TO FEDERAL CANDIDATES

Background: Last year, the Straight Talk Coalition fostered a breakthrough when it persuaded broadcasters to provide free time for candidates to talk directly to the voters. Leaders in the broadcast industry are trying to capitalize on that successful experiment. Barry Diller recently challenged broadcasters to provide free air time for candidates in the next election.

The President's Challenge: The President today challenged broadcasters to commit to provide candidates, free of charge, the time they need to reach voters directly and talk to them about the issues.

Draft 10:00pm

PRESIDENT WILLIAM J. CLINTON
REMARKS ON CAMPAIGN REFORM
AND FREE TV TIME
"STRAIGHT TALK COALITION" CONFERENCE
NATIONAL PRESS CLUB
March 11, 1997

Acknowledgments: Paul Taylor, Walter Cronkite, Sen. John McCain -- leader for bipartisan reform; Chairman Hundt; Barry Diller; Ann McBride (Common Cause); Becky Cain (League of Women Voters).

I am delighted for the opportunity to come before you today to talk about how we can make our political system the servant of all our people – and how we can harness our most powerful information technologies to the service of democracy.

I want to begin by saluting and thanking Paul Taylor, Walter Cronkite, and the members of the Straight Talk Coalition. This past election year, you banded together in the proudest tradition of citizen advocacy. You called on those in the media and in politics to do better -- and they did. Senator Dole and I were given the chance to talk directly to the voters: no gimmicks; no flashy graphics; a full minute or two at a time. It was one of the best chances to explain my views that I had as a candidate, and I hope that future candidates have a similar opportunity. This experiment worked; it was good for us, and it was good for the country. And I thank you.

This coalition represents the newest and one of the most promising efforts in our age old mission to keep our democracy vibrant in each new era. From the beginning, this country has been what George Washington called the "great experiment," a never-ending effort to live up to our most basic ideals. That we would have to change, to reform, was built into our system, into our quest for a more perfect union. That is what we have done, time and again: extending the franchise from white property-owning men to African-Americans, to women, to all our people -- enforcing civil rights and voting rights -- opening up the doors of government.

Today, television with all its power has the chance to expand the franchise once again. We know that television has been a profound and powerful force; for all the changes now transforming the way we communicate, most people still get most of their information from television. But we know that television has also deeply affected our politics and the way we conduct our democracy.

We all know what the problems are with money in politics today: there is too much of it; it takes too much time to raise; and it raises too many questions. Major party committees spent <u>over three</u> times as much in this last election cycle as four years before. And spending on congressional campaigns has risen sixfold in the past two decades, over three times greater than the rate of inflation.

By far the biggest reason for this arms race is the large and growing cost of buying TV ads. Candidates spent $25 million for political ads in 1972, and $400 million in 1996 [*Television*

Bureau of Advertising]. Presidential campaigns now spend two-thirds or more of their money on paid ads. Senate candidates spend 42% of their money on television, and now in contested House races, nearly one third of all campaign funds go to buying television ads. The same free market in advertising that has helped spread the world's most sustained prosperity, has hurt our democracy.

We are the only major democracy in the world where candidates must raise larger and larger sums simply to communicate with voters through the medium that matters. Every other major democracy offers candidates or parties free air time to speak to voters. America can do better.

We have an obligation to restore our campaign finance system -- and in order to do that, television must be part of the solution. I have said that all of us involved in this system have to take responsibility for it, and for changing it. That is true for all of us: those in public life -- and those who control the airwaves.

First, and most fundamentally, we must make this the year that we pass campaign finance reform. The campaign finance laws are two decades out of date. They have been overtaken by a flood of money, raised and spent in ways that the laws could not have imagined.

I have long believed that we will reform our elections only if we do so by reaching across party lines. And over the past four years, we have made real bipartisan progress to open up our system. We passed the Motor Voter Law, to make registering to vote easier. We enacted the most sweeping overhaul of the lobby disclosure laws in 50 years. Congress banned gifts and meals from lobbyists to lawmakers. We required Congress to live under the same laws they pass for everyone else. Every one of these breakthroughs was achieved by lawmakers of both parties, working together.

Now we have an historic opportunity to pass bipartisan campaign finance reform. I strongly support the legislation that Senator McCain and Senator Feingold have introduced, along with Reps. Chris Shays and Martin Meehan. It is real; it is tough; it would level the playing field and curb the role of big money in politics.

This measure would set voluntary limits on campaign spending. It would ban soft money. As you know, I have continued to raise funds for my party, because I believe that the Democratic Party must compete. But we know these contributions to both parties are simply too large, and that the system is wrong; and we should end it. This legislation would restrict the role of political action committees and lobbyists. It would make all these needed reforms and do it within the confines of the Constitution.

In all these ways, it would set ceilings on money in politics. But just as important as the ceiling is the floor – and it gives candidates a strong platform to stand on. It gives candidates free air time, to talk directly to voters. And it gives candidates deeply discounted rates for the purchase of time. In all these ways, it will dramatically level the playing field between incumbents and challengers, while being fair to both parties and giving new voices a chance to be heard.

I have supported free TV time for candidates for years. When Vice President Gore was in the Congress, he introduced legislation to require it. And it has been a good idea ever since it was first proposed by President Kennedy in 1962. Now is our time to make this ideal real.

In my State-of-the-Union Address, I called on Congress to enact this legislation by July 4, the date we celebrate the birth of our democracy. I pledge to continue to work with members of Congress of both parties. And we must not give up. The controversy over fundraising in this past election must not be an excuse to avoid action – it must be an opportunity to achieve reform.

We must press forward to open the airwaves, and we must do it every way we can. So the second thing I want to do is to discuss the ways that broadcasters can meet their public obligations in this new time.

For decades, ever since the FCC was created, the broadcasters and the public have been party to a compact: the public airwaves are given over to them . . . and in exchange, they must meet basic public interest obligations. That bargain has been a sound one -- good for the industry, and good for the public.

Now, startling technologies are shaking and remaking the world of telecommunications. These have opened even wider opportunities for broadcasters, and they offer us a chance to open the vistas of democracy wider, too. The move from analog signals to digital signals will give each broadcaster much more signal capacity as they have today. The broadcasters asked the Congress to be given this new access to the public airwaves without charge.

I believe it is time to update broadcasters' public interest obligation to match the demands of new times. I believe that broadcasters who receive digital licenses should provide free air time for candidates. I believe that the FCC should act to require free air time for candidates.

The telecommunications revolution can help transform our system so that once again, voters have the loudest voice in our democracy. Free time for candidates can help free our democracy from the grip of big money.

There are many ways this could be done; many of you here have put forward innovative plans for how this can be done. I believe that this free time should be available to all qualified federal candidates. It should give candidates a chance to talk directly to voters, without gimmicks and without intermediaries.

And because campaign finance reform is so important, I believe that it should be available especially to those candidates who limit their own spending. Candidates should be able to talk to the voters based on the strength of their ideas, not the size of their checkbook. And all voters should know that no candidate is kept from running because he or she cannot raise the funds.

Last month, Vice President Gore announced that we would create an independent advisory committee of experts, industry representatives, public interest advocates and others, to recommend what steps to take.

Today, I am signing an executive order creating that committee. This balanced panel will advise me on ways to move forward, and will make a judgment as to what the new public interest obligations of broadcasters might be. But today, let us agree: in 1997, for broadcasters, serving the public should mean enhancing our democracy.

Finally, I want to challenge the broadcasters as well. Broadcasters are not the problem, and broadcasting can be the solution.

The step the broadcasters took this past election, with the encouragement of the Straight Talk for TV coalition, was a breakthrough. I call on broadcasters to follow up on the potential of this experiment in democracy. I am especially pleased that a leader in the industry, Barry Diller, has challenged his colleagues to open up the airwaves to candidates. He has made clear that broadcasters have an obligation to society. He is here today, and I want to thank him for his leadership.

There are many questions about political reform. Many skeptics look at proposed reform measures and ask whether they will work, whether there will be unintended consequences. I believe that reform has made things better, and it can again. But the one thing we know is that when we work to expand our democracy -- when we give people a greater voice and advocates of all political views a firm platform on which to stand -- when we work to build our democracy up, those steps always work. By passing campaign finance reform, by renewing the compact between broadcasters and the public so that it better serves our common goals, we can do that again.

Each generation gets a chance to renew its democracy. This is our chance. Let's work together to seize it. Thank you, and God Bless America.

TALKING POINTS ON DIGITAL TELEVISION BROADCASTERS' PUBLIC INTEREST OBLIGATION

- Tomorrow, the President is speaking at 11 a.m. at the Press Club at a conference of Paul Taylor's Free TV Coalition.

- He is going to reiterate his strong support for the free time provisions of McCain Feingold. He will urge swift passage of the legislation.

- He will also say that he thinks that when digital television broadcast begins, digital broadcasters should have a public interest obligation to air federal candidates' messages for free. He is going to announce that he has signed an Executive Order establishing an independent Advisory Committee on Public Interest Obligations of Digital Television Broadcasters. He will urge that group to study a free TV obligation for digital television broadcasters among the proposals they examine and report back to the Vice President.

- This Advisory Committee is the same one that the Vice President said on February 5 the President would form. What is new is that the President kicked off its formation by signing the Executive Order. The Committee is organized pursuant to the Federal Advisory Committee Act.

- The President also called upon broadcasters to rise to the challenge of providing in the current election cycle free time for candidates, as Barry Diller has urged.

Possible Questions:

Q. Who is going to be on the Committee? Who will head it?

A. Not decided yet. The E.O. will identify the number of members (15), and will say that they should be drawn from interested and affected groups -- commercial and noncommercial broadcasters, producers, public interest organizations, academic institutions, the advertising community, and the computer industry. Representation will be balanced. (We are not required to make it bipartisan, but we very likely will include Republicans.)

Q. When are you going to decide this? Where are you getting the names to be considered?

A. Soon. We are seeking input from all the interested groups and the Hill about who would be good to include. Senate confirmation is not required.

Q. Is this the same proposal that Chairman Hundt of the FCC has been touting?

A. The President is not going to get into that level of detail. He is saying that he endorses a public interest obligation, but not how it should be done. The Advisory Committee will consider all aspects of the public interest obligation and report back. The President is not prejudging anything they may do.

Q. How does this Advisory Commission relate to the FCC?

A. The Advisory Committee reports back to the Vice President, not to the FCC. The Vice President will decide the best way to share the results with the FCC in accordance with all the rules about on the record rulemakings.

Q. How can you impose a new obligation on an industry that does not even exist yet?

A. The President is saying that he endorses this new aspect of the public interest obligation in principle. He is saying it deserves further study and development. He is saying this because free time is an important principle of campaign finance reform. It is completely fair to revisit the public interest obligation in light of the enormous new capacity that digital television broadcasters are receiving without charge.

Q. What's the point of the Advisory Committee if the President is going to come out and say that he wants them to come up with this as the answer?

A. The President is saying that he believes that this is an important step to take toward campaign finance reform. He is saying that it deserves further study and development. That is what the independent Advisory Committee will do. They will be studying other aspects of the public interest obligation, too, and whether they merit change in the digital era.

ROMER'S COMMENTS ON FUNDRAISING
FEBRUARY 13, 1997

* **The President shares Governor Romer's views on the need to reform our campaign finance system. His views are one of the primary reasons that the President asked him to take this job.**

* The President, too, was disappointed at not being able to put **campaign finance reform** on the list of issues for which there was enough bipartisan support to begin putting together **working groups** to work on. He suggested that this, too, be considered such a priority, but there are clearly some significant differences that need to be bridged in the months ahead, and so the issue was not ready to be put on that list.

* With regard to coffees, the President wants to continue to have people here at the White House from all walks of life to talk about the issues that concern him and that concern them. Those who contribute will not be disqualified from attending, but that will not be the basis on which people attend. (If asked, no coffees are planned at this time.)

***ON THE SUBJECT OF CONGRESSIONAL CAMPAIGN COMMITTEES, SEE ATTACHED TALKING POINTS BY ANN LEWIS. THEY COVER IT WELL.**

* Finally, let's be clear on something. This President is committed to doing everything he can to get the Congress to enact campaign finance reform legislation by Independence Day. He has:

1) selected as Chairman of the DNC Governor Roy Romer -- somebody with not only a sterling reputation but a history of hard work on behalf of campaign finance reform in his own state of Colorado.

2) made the enactment of campaign finance reform the centerpiece of his speech to the Democratic National Committee.

3) met here with Senators John McCain and Russ Feingold and Congressmen Chris Shays and Marty Meehan, the bipartisan sponsors of the campaign finance reform legislation that the President has endorsed, as well as Ann McBride of Common Cause.

4) met here with Congressmen Shays and Meehan and a bipartisan group of cosponsors of their bill in the House.

5) He and the Vice President have committed themselves to devoting whatever time and effort is necessary to get legislation enacted. If it means speaking out in the country, if it means meeting with members of Congress or getting on the phones, whatever it takes, they consider themselves the #1 volunteers.

TOIV
Smith

To: Interested parties
From: Ann Lewis
2/12/97

DRAFT : TALKING POINTS FOR DEMOCRATIC FUND RAISERS

1. At President Clinton's direction, the Democratic National Committee has voluntarily adopted strict rules on fund raising which go beyond the present legal requirements. The party will not accept contributions from permanent US residents who are not citizens; from American subsidiaries of foreign corporations; or contributions above $100,000 from any donor.

2. These restrictions by the DNC were adopted unilaterally. It is our hope that the Republicans National Committee would adopt similar rules for their own fund raising but they have thus far refused to do so.

3. While the DNC acted at the President's request, the Democratic Congressional and Senatorial Campaign Committees have not changed their rules. These committees. were outspent by their Republican counterparts by (2-1 ?) in 1996. They believe they must operate under the current rules in order to provide full support for their candidates.

4. Therefore, at all fundraising events at which President, Vice President, First Lady or Mrs Gore is present, the Democratic congressional committees have agreed to use the DNC principles for photographs and table seating. That is, no person will have a photo taken with a principal or be seated at a table with a principal or with a major officer of the DNC who is not qualified to contribute according to the new DNC rules.

5. To ensure that these rules followed, the names of all persons to be photographed and/or seated at a table with a principal must be submitted to the DNC compliance director in advance of the event.

Follow-up to more specific or critical questions:

The President doesn't (control) (have authority over) the congressional campaign committees. The Democratic National Committee has adopted new rules which will make their fund raising more difficult. The President cannot order other committees to adopt the same rules.
However, we have agreed on procedures which respect the principles adopted by the DNC, while enabling the President to support Democratic Senate and congressional candidates.
Keep in mind that these procedures by the DNC, and now by the congressional committees in limiting Presidential participation, are more than any Republican committee will do .

We agree this is a partial answer. The comprehensive answer is campaign finance reform and that's what we're trying to achieve.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release February 12, 1997

STATEMENT BY THE PRESIDENT

In my State of the Union Address, I said that delay would mean the death of campaign finance reform, and I called on the Congress to act by July 4, 1997. Passage of effective finance reform must be a priority for this Congress, but we will succeed only if citizens all across the country make clear to elected officials that change is urgent, and that public support is broad and deep. Project Independence can help break the logjam that has blocked reform for so long. By building support for the McCain-Feingold and Shays-Meehan campaign finance reform bills, Project Independence will give citizens a voice as we work to reform our politics and renew our democracy.

-30-30-30-

PROJECT INDEPENDENCE
CLEAN UP CAMPAIGNS NOW

FOR IMMEDIATE RELEASE:
Monday, February 10, 1997

CONTACT: Jeremy Fitzpatrick
202/736-5770
Tracy Zimmerman
202/518-8047

PRESS ADVISORY

COMMON CAUSE & CAMPAIGN FOR AMERICA LAUNCH "PROJECT INDEPENDENCE"; HISTORIC EFFORT WILL COLLECT 1,776,000 CITIZEN PETITIONS SUPPORTING IMMEDIATE ACTION ON CAMPAIGN FINANCE REFORM

Common Cause and Campaign For America will launch "Project Independence" – a historic grassroots effort to collect 1,776,000 citizen petitions urging congressional passage of campaign finance reform by the Fourth of July – at a news conference on Wednesday, February 12, 1997 at 10 a.m. in the Lisagor Room of the National Press Building at 14th and F Streets, NW in Washington, D.C.

Project Independence will be the most comprehensive grassroots initiative ever launched to activate citizens in the fight for campaign finance reform. Project Independence will gather signatures in all 50 states.

Common Cause President Ann McBride and Campaign For America Founder Jerome Kohlberg, Jr. will officially launch Project Independence at the news conference. Kohlberg is a founding partner of the investment firms Kohlberg and Co. and Kohlberg Kravis and Roberts Co.

The Project Independence effort will urge Congress to act on the bipartisan reform legislation recently introduced in Congress by Senators John McCain (R-AZ), Russ Feingold (D-WI) and Fred Thompson (R-TN) and Representatives Chris Shays (R-CT) and Marty Meehan (D-MA).

# # #

Common Cause • 1250 Connecticut Ave., NW • Washington, DC 20036
Campaign For America • 50 F St., NW • Suite 1198 • Washington, DC 20001

TALKING POINTS ON CAMPAIGN FINANCE
JANUARY 24, 1997

* It should be clear from his recent actions that the President is determined to see the enactment of campaign finance reform this year.

* For Chairman of the DNC, he selected Governor Roy Romer -- somebody with not only a sterling reputation but a history of hard work on behalf of campaign finance reform in his own state of Colorado.

* He has spent two of the three days since the inaugural address focusing on this issue.

* On Tuesday, he made the enactment of campaign finance reform the centerpiece of his speech to the Democratic National Committee.

* And yesterday, the President and Vice President had an excellent meeting with Senators John McCain and Russ Feingold and Congressmen Chris Shays and Marty Meehan, the bipartisan sponsors of the campaign finance reform legislation that the President has endorsed, as well as Ann McBride of Common Cause.

* It was an enthusiastic and pragmatic discussion of how we can get campaign reform legislation enacted this year.

* The President and Vice President both committed themselves to devoting whatever time and effort was necessary to get legislation enacted. If it means speaking out in the country, if it means meeting with members of Congress or getting on the phones, whatever it takes, they consider themselves the #1 volunteers.

* The Congressional members made it clear that it would take that kind of leadership from the President to get this done.

* There were no illusions about the difficulty of getting any campaign reform legislation through Congress. But they President laid out a few principles that will be essential to any legislation.

* First, the legislation and this entire effort must be bipartisan. If either party in the Congress unfairly uses the issue to beat up the other party, or to gain unfair advantage, it will be awfully hard to make this happen.

* Any legislation needs to be comprehensive. Piecemeal legislation is no substitute for real reform.

* The legislation needs to reduce the amount of money in campaigns.

* And the legislation needs to encourage a relatively level playing field between incumbents and challengers and between the parties.

* The sponsors made it clear that they will be ready to negotiate with those in the Congress who play a key role in this legislation. Obviously, we think the McCain-Feingold bill is a good bill that would get the job done. But others will have ideas, and you don't get much done in the Congress unless you're prepared to listen.

* Finally, the President, the Vice President and the sponsors all expressed a sense of optimism that we can and should reform these laws. Some seem to think that this is an impossible job. But it's not.

* This happened some 20 years ago, and the system that was created back then worked for a number of years. What has happened is that some court decisions and the ingenuity of the two parties have made the existing laws obsolete. So we need to renew them, but we can do that, and we should, and perhaps 20 years from now a future President and Congress will have to do it again, but there's nothing wrong with that.

TOIV
Okayed by Hilley

TALKING POINTS ON CAMPAIGN FINANCE REFORM
JANUARY 23, 1997

* It should be clear from his recent actions that the President is determined to see the enactment of campaign finance reform this year.

* For Chairman of the DNC, he selected Governor Roy Romer -- somebody with not only a sterling reputation but a history of hard work on behalf of campaign finance reform in his own state of Colorado.

* He has spent two of the three days since the inaugural address focusing on this issue.

    * On Tuesday, he made the enactment of campaign finance reform the centerpiece of his speech to the Democratic National Committee.

    * And today, he intends to have a very important meeting with Senators John McCain and Russ Feingold and Congressmen Chris Shays and Marty Meehan, the bipartisan sponsors of the campaign finance reform legislation that he has endorsed.

    * This is going to be a serious strategy session to determine how we can use the combined resources available to the bipartisan supporters of this legislation in the Congress and to the President and the White House to get this legislation enacted.

    * My understanding is that the Members will be available at the stakeout after their meeting with the President.

TOIV
Okayed by Hilley

Talking Points for Campaign Finance Reform Meeting with Common Cause and the Congressional Sponsors of Campaign Finance Reform

- Thank you for coming today. This is the best chance in at least a decade to enact meaningful campaign finance reform legislation.

- I am completely committed to seeing a good bill pass and I am willing and anxious work with you and to commit as many of this Administration's resources as necessary to seeing serious campaign finance reform legislation enacted into law.

- I firmly believe that the only way legislation can pass is if it is bipartisan and that is why I believe that this bipartisan core group of Senator McCain, Senator Feingold, Congressman Shays and Congressman Meehan has the best chance of being successful. Thank you for your leadership.

- Before we begin let me say that I believe the final legislative product must embrace four principles to be successful: 1) it must have bipartisan support; 2) it must limit the amount of money it takes to run for federal office; 3) it must level the playing field between challengers and incumbents; and 4) it must not disadvantage one political party at the expense of the other.

- Keeping those principles in mind I want your input on three key subjects:

  - 1) Legislative strategy and tactics -- how we do we move in a rapid manner to get the support we need to pass this through both the House and the Senate?

  - 2) Political and public relations strategy -- how do we create an environment that makes it politically difficult to vote against, or successfully filibuster bipartisan campaign finance reform?

  - 3) Message -- what is the message that we need to develop to accomplish both our legislative and public relations strategies?

- Now let me hear your thoughts on how we get this done.

Campaign finance 1-8-97

Press Guidance
January 8, 1997

Senators McCain and Feingold are scheduled to hold a press conference on the Hill at 1pm today to urge swift passage of campaign finance reform.

Where we are:

- The President continues to support efforts to pass bipartisan campaign finance reform. He is challenging Congress to act quickly and pass legislation during the first few months of this session.

- The President strongly believes last year's McCain-Feingold legislation should serve as the basis for a bipartisan bill this Congress.

- The President has asked a team of White House aides to work with reform groups and key Members of Congress on developing bipartisan legislation. The team of White House aides has been working on this effort since December. The team has been collecting and reviewing data and conducting numerous meetings with outside parties.

AMellody
Per Paul Weinstein, Domestic Policy

12-17-96
Finance
Reform

TALKING POINTS ON ORNSTEIN-MANN CAMPAIGN FINANCE REFORM PROPOSAL
DECEMBER 17, 1996

(Ornstein and Mann held a press conference today on their campaign finance reform proposal.)

* The President has repeatedly said that one of his top priorities for the new Congress will be enactment of comprehensive campaign finance reform.

* He has already endorsed the McCain-Feingold bill, which he supported in the last Congress but which was successfully filibustered in the Senate.

* Ornstein and Mann have obviously put a lot of thought and work into their proposals. A partisan logjam has prevented enactment of campaign finance reform in the past, and new ideas merit consideration. The President welcomes all constructive thinking on this issue, and given their experience with these issues, we'll certainly be taking a look at them.

* It appears that they are aiming at some of the same problems that the President has focused on (for example: soft money, improving FEC enforcement, and the importance of providing free television time for candidates), but their approaches to resolving those problems are somewhat different.

* Obviously, the President continues to believe that the McCain-Feingold approach is the best proposal right now. But he wants us to examine the Ornstein/Mann proposal carefully to see what it adds to the debate.

* The President will continue working with Senators McCain and Feingold and other supporters of campaign finance reform to get serious legislation enacted in this Congress.

BACKGROUND:

Be careful you don't go too far in support. We have some problems with a number of their proposals, and we don't want to offer that much encouragement.

TOIV (approved by Hilley/Jacoby)

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL # of pages ▶ 3

To Kathy McKarran | From Lauren / Public Affairs
Dept./Agency WH | Phone #
Fax # 456-6210 | Fax #

NSN 7540-01-317-7368 5099-101 GENERAL SERVICES ADMINISTRATION

U. S. Department of Justice

Criminal Division

AHHC
Hold for Wed.
Campaign finance reform
11-13-96

Office of the Assistant Attorney General *Washington, D.C. 20530*

November 12, 1996

The Honorable John McCain
United States Senate
Washington, D.C. 20510-0303

Dear Senator McCain:

This is in further response to your letter of October 11, 1996 expressing concern over reports in the media that suggest foreign nationals had made political contributions to the Democratic Party. You suggest that these reports raise the possibility that there may have been violations of federal criminal law relating to campaign financing. Contending that it is impossible for any Administration official to determine whether any illegalities or ethical lapses may have occurred regarding these matters, you urge that the Attorney General seek appointment of an independent counsel. The Attorney General has requested that I respond to your letter on her behalf, as Acting Assistant Attorney General in this matter.

The issues raised in the press reports that you have forwarded to the Department of Justice are extraordinarily complex, both factually and legally, and warrant careful consideration. Indeed, a number of serious concerns have been expressed in the past several weeks by public interest organizations, the press, Members of Congress and the public regarding campaign financing practices in the recent national election. As a result of these serious and legitimate concerns, a task force has been created within the Public Integrity Section of the Criminal Division, composed of career federal prosecutors, to explore fully the range of allegations and issues that have been raised and determine which, if any, warrant further criminal investigation, or any other action, by either the Department or an independent counsel. I give you my assurance that the allegations referenced in your letter and the points you raise will be carefully reviewed and considered.

Under the law, the Independent Counsel Act is limited to situations in which the Department receives specific, credible allegations of criminal conduct by individuals covered by the provisions of the Act. There is also a discretionary clause in the Act, which permits the Attorney General to invoke the provisions of the Act in situations in which specific credible allegations are received against individuals as to whom an investigation by the Department of Justice would create a conflict of interest. An independent counsel cannot be appointed to explore the possibility of ethical lapses, as you suggest. Nor can an independent counsel assume the role of the independent regulatory agencies, such as the Federal Election Commission, to determine whether campaign financing by political organizations was in conformity with the law and to take appropriate enforcement action for civil transgressions. An independent counsel can be appointed only to investigate and, if appropriate, prosecute, specific, credible allegations of violations of federal criminal law by a covered person or by an individual, or individuals, as to whom there would be a conflict of interest.

We have reviewed your letters and enclosures with great care, and have concluded that they do not contain specific, credible evidence that any individual covered by the provisions of the Independent Counsel Act committed any federal crime. Your assertion that the Democratic Party and the Clinton/Gore Reelection Committee were "involved" in the use of soft money contributions that may have violated campaign financing laws falls far short of the sort of specific facts and reasonable inference upon which one may rely at this time to conclude that a particular covered individual may have violated federal criminal law. You can be confident, however, that if during our continued review of your allegations we obtain specific and credible information that a covered individual has committed an offense, we will follow the procedures set forth in the Independent Counsel Act.

As noted above, the Attorney General has discretion to seek appointment of an independent counsel if investigation by the Department of Justice would create a political conflict of interest. You suggest that appointment of an independent counsel is "crucial for the sake of the integrity of the Office of the President and the political party fundraising apparatus." As the Criminal Division review the allegations referenced in your letter in depth, we will continue to consider whether invocation of the discretionary clause is appropriate.

We do reject, however, any categorical assertion that simply because an allegation of wrongdoing might arise in the context of the political process, the Department of Justice is automatically disqualified from its traditional role as the enforcer of federal criminal law. Congress, in the Independent Counsel Act, did not require appointment of an independent counsel whenever a political party is under investigation. The Department's record over the years demonstrates that career prosecutors are capable of conducting thorough and fair investigations and prosecutions even of politically powerful members of the incumbent party.

I assure you that the Attorney General is sensitive to issues of conflict of interest that might warrant her invocation of the discretionary clause of the Independent Counsel Act, and will bear in mind this available course of action should our further review develop facts that suggest that "an investigation or prosecution of a person by the Department of Justice may result in a personal, financial or political conflict of interest." 28 U.S.C. §591(c)(1). In any event, however, the issues you raise will receive careful and thorough scrutiny. We are committed to ensuring public confidence in the fairness and impartiality of our review.

Thank you for your letter. Should you have additional facts or information that you wish us to consider in the course of our review of these issues, please feel free to contact me or the Chief of the Public Integrity Section, Lee J. Radek.

Sincerely,

Mark M Richard
Acting Assistant
Attorney General

2-27-96

Political Reform
Tuesday, February 27, 1996

President has called for strong reform measures to give ordinary americans a greater stake in our government.

we have:

- -- passed lobbying reform requiring professional lobbyists to disclose publicly who they are, whom they work, what they're spending, , what bills trying to pass, kill.
- -- gift ban passed
- -- rules on congress same as the public
- -- still need to see real campaign finance -- need bi-partisan legislation to limit spending, curb PACs, provide free TV time and end sift money.

Free TV

- -- President has advocated candidates receive free tv time for those who abide by voluntary spending limits. It creates parity for candidates; and doesn't let the flow of money determine who get quantity and quality airtime.

- connect candidates w/ voters
- diminish need for fundrsing from spec Interests
- level playing field btw chllngr/Incmbnts

how much they are paid -- including the membership of Washington coalitions that disguise their expenditures by paying lobbyists.

- Requires professional lobbyists to disclose with specificity their interest (e.g., supporting or opposing a specific bill).

Lobby reform should not get sidetracked once again by provisions -- in particular, the grassroots lobbying provision -- that were seized on by some as a reason to oppose last year's bill.

Campaign finance reform

Campaign finance reform is central to any effort to change the money culture in Washington, renew politics, and give the government back to the American people. The public rightly believes that big money has too much influence on elections; that PACs give ten times as much to incumbents as challengers because they are seeking to influence policy; and that lobbyists and narrow interests have overwhelmed Washington. At the same time, voters are disgusted with contentless campaigns that throw mud instead of shedding light.

Campaign finance reform has been stalled by partisan fighting and by controversies over public financing. President Clinton calls on Congress to break through the gridlock and enact balanced, credible legislation.

- *Free television time for candidates who abide by voluntary spending limits.*

  One reform would do the most to enhance democracy, connect candidates with voters, diminish the need for fundraising from special interests, and level the playing field between challengers and incumbents: requiring broadcasters to provide free television time for bona fide candidates who abide by spending limits.

  Broadcast costs are the chief factor in rising campaign spending. Today, at least 40% of all political campaign expenditures -- and up to 75% in some markets -- are spent on media advertising. By one estimate, candidates spent $350 million for last November's election, a 17% increase in two years. Requiring broadcasters to play their part in democracy by giving candidates free time is an appropriate condition for their public license.

  Free TV was advocated by President Clinton as a candidate in 1992, and has been supported by Ross Perot and by a bipartisan panel

THE WHITE HOUSE

WASHINGTON

February 15, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: **Paul Weinstein**

SUBJECT: **Background On McCain-Feingold "Senate Campaign Finance Reform Act"**

In your radio address this weekend you will announce your endorsement of the first real bipartisan campaign finance reform legislation in a generation. Passage of the McCain-Feingold "Senate Campaign Finance Reform Act of 1995" will help fight the cynicism that is gripping the American people and restore faith in the U.S government, reaffirm that elections are won and lost in a competition of ideas, and reduce the cost of campaigning.

During your first three years in office you have pursued a strong, wide-ranging political reform agenda. You imposed the toughest-ethics code on your political appointees, closed the tax provision that allowed corporations to deduct the cost of lobbying expenses, signed the Motor Voter law, and cut the White House staff by 25%. Last year, you signed two major reform bills that you had promised to enact when you ran for office in 1992. The Congressional Accountability Act with requires Members of Congress to live by the laws of the land and the Lobbying Disclosure Act.

McCain-Feingold includes many of the campaign finance reform ideas that you first championed in *Putting People First.* These include:

- **Spending Limits and Benefits** — Campaign spending limits would be based on each State's voting-age population.
- **Free Broadcast Time** -- Candidates would be entitled to 30 minutes of free broadcast time.
- **Broadcast Discounts** — Broadcasters would be required to sell advertising to a complying candidate at 50 percent of the lowest unit rate.
- **Reduced Postage Rate** — Candidates would be able to send up to two pieces of mail to each voting-age resident at the lowest 3rd class non-profit bulk rate.
- **New Variable Contribution Rate** — If a candidate's opponent does not abide by the spending limits or exceeds the limits, the complying candidate's individual contribution limit is raised from $1,000 to $2,000 and the complying candidate's spending ceiling is raised by 20 percent.
- **Political Action Committees (PAC) Ban** — The bill would ban PAC contributions to candidates. However, if the PAC ban is ruled unconstitutional, then the PAC contribution would be lowered to $1,000.
- **Franked Mailings** -- Franked mailings are banned in the year of a campaign.
- **Personal Funds** -- Complying candidates cannot spend more than $250,000 from their personal funds.
- **Bundling** — The bundling of campaign contributions is banned.

Feb. 96

7. Here in Keene's Town Square, make democracy work: **7th chall for us in public service: Shrink government, bipart. campaign fin. reform. Shook hands in Claremont with Spkr Gingrich. Since then, we've passed lobby reform & gift ban. Now bipartisan campaign finance reform.**
Two distinguished US Sens. have sponsored a sensible campaign finance reform bill that can serve as a foundation for real reform. John McCain is a GOP Sen. from Arizona. Russ Feingold is a Dem. Sen. from Wisconsin. On many issues, it's fair to say that Sen. McCain and Sen. Feingold don't see eye to eye. But they know this: The health of our democracy goes way beyond partisan politics; it's high time to reduce the influence money has on elections.

The McCain-Feingold bill includes limits on spending, curbs on the influence of PACs and lobbyists, and an end to the soft money system. The bill will discourage the attack ads that have become all too common, by requiring candidates to take responsibility for putting them on the air. Perhaps most important of all, this bill provides free TV time for candidates, so they can talk directly to citizens about real issues and real ideas. These are the very ideas I ran on in New Hampshire 4 yrs ago.

As we work to reform campaign finance, we must do everything we can to ensure that we open, not limit, the political process. Our bottom line test is: will our efforts make our government more representative, not less representative.

CONCLUSION
Challenges as we move into future: Stronger families. Better education. Access to health care. Safer streets. A cleaner environment.
Can do all these things -- if we do them together. Meet any challenge, achieve any goal.
So don't be cynical: no excuse for inaction. America still depends on what it has depended on for almost 229 years: you, the people.
Accept one more challenge: Don't stop. Make 1996 great year for America. Lift up your sights, fight for our future, best is yet to come. Thank you, God bless you.

TALKING POINT ON CAMPAIGN FINANCE REFORM EVENT
MARCH 17, 1997

* One interesting point. Following the event today, it's my understanding that the Vice President asked all of the campaign finance reform advocates to stay behind, and there was a kind of spontaneous working session among leaders of the various groups, staff for the key sponsors of McCain-Feingold-Shays-Meehan, Vice President Mondale and Senator Kassebaum Baker, and, of course, the Vice President.

* The other outside groups had some very good ideas for how Vice President Mondale and Senator Kassebaum Baker could contribute to this effort. We think that's going to work very well. And of course, the President and Vice President are eager to do whatever they can to advance the cause of campaign finance reform.

* (If asked who -- Well, I think your pool saw some of them there today -- representatives of Common Cause, Public Citizen, religious groups, the League of Women Voters.)

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PRESS QUESTIONS AND ANSWERS
CAMPAIGN FINANCE REFORM EDUCATION AND AWARENESS PROJECT

1. How were Vice President Mondale and Senator Kassebaum selected for this project?

Answer: Vice President Mondale and Senator Kassebaum have, for some time, been strong advocates of campaign finance reform. They share the President's belief that reform is essential to preserve our democratic system and that the public must be made aware of the issues and the stakes involved. The President, knowing of their commitment to this cause, asked that they support his efforts and they agreed.

2. What is the purpose of the project?

Answer: The purpose of the project is to make the American public aware of the problems in the current campaign finance system and the need for new solutions. It is important for the public to understand why reform is critical and what changes to the system are being proposed. Vice President Mondale and Senator Kassebaum have undertaken to carry this message to the American people in any way they can.

3. Who's idea was it?

Answer: This idea was generated by President Clinton as a means of moving forward with his commitment to campaign finance reform.

4. What is the structure of this project?

Answer: The announcement today marks the beginning of this effort. The exact structure of the project will evolve as it gets underway. The project will, undoubtedly, attract additional support from others.

5. Who is paying for this?

Answer: This project is just beginning. Vice President Mondale and Senator Kassebaum hope and expect that other private individuals and groups who also support this mission will participate in the effort.

6. Will the White House be involved in fundraising for the project?

Answer: The White House will not be involved in any fundraising efforts.

7. Is the White House establishing any fundraising groundrules?

Answer: The White House is not raising funds for this project. We assume that Vice President Mondale and Senator Kassebaum will reach out to others who share their commitment to campaign finance reform.

8. Who will staff the project?

Answer: The project is just beginning and no staff has been hired at this time. Vice President Mondale and Senator Kassebaum will make staffing decisions as the project gets underway.

9. Will White House staff be involved?

Answer: The project will be self-directed and White House officials will not staff the project.

10. Will the White House guide the effort?

Answer: No. The project will be self-directed, but the White House may provide information relevant to the project, as appropriate -- and as it does with other groups interested in campaign finance reform.

11. Will you be lobbying members of Congress?

Answer: The mission of this project is public awareness and education. [The project as it is now conceived will not engage in grassroots lobbying efforts.]

12. Isn't this a violation of the anti-lobbying act?

Answer: No. This project is about education.

13. Will this project make any difference?

Answer: The President believes that this project can make a difference by focusing the American people on the need for campaign finance reform and educating them about reform proposals.

14. Is this effort designed to support McCain-Feingold or any other campaign finance effort?

Answer: As stated by Vice-President Mondale in his remarks, this project will support McCain Feingold by articulating the need for this legislation and explaining what the legislation will do.

Congress of the United States
Washington, DC 20515

March 14, 1997

The Honorable William J. Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear President Clinton:

We write to offer our thanks for your continuing leadership on behalf of bipartisan campaign reform, and our congratulations upon the formation of the Kassebaum-Baker/Mondale committee.

The campaign reform efforts ongoing around the nation are about more than dollars, and about more than just those of us who currently serve in the Congress and the White House.

Rather, these efforts are fundamentally about American democracy, and the American people's stake in what our democracy is to become in the 21st century.

The efforts are also about whether Americans care enough about our democracy to bridge our partisan, regional, and other differences to restore the integrity of our political process.

That Vice President Mondale and Senator Kassebaum-Baker, two of our most distinguished senior statespeople, would offer their leadership to the bipartisan campaign reform effort is cause for great celebration and encouragement.

We are deeply appreciative of your efforts, and look forward to working with you and the Kassebaum-Baker/Mondale committee to advance the cause of campaign reform in the months ahead.

John McCain
Senator John McCain

Russ Feingold
Senator Russ Feingold

Christopher Shays
Rep. Christopher Shays

Marty Meehan
Rep. Marty Meehan

ENDING BUSINESS AS USUAL IN WASHINGTON

"The fact is, organized interests have too much power in the halls of government. These influence groups too often promote their own interest at the expense of the public interest. Too often they operate in secret. Too often they have special privileges ordinary Americans don't even know exist.... We have an historic opportunity to renew our democracy and strengthen our country. If we truly believe in a government that puts ordinary Americans ahead of the powerful and privileged, then we must act and act now."

President Bill Clinton
February 17, 1996

A Record of Accomplishment:

Over the past four years, working with both parties in Congress, President Clinton achieved a significant number of reforms to make our government respond to ordinary citizens.

- The President made voting easier for more than 11 million Americans by creating more accessible voter registration locations by enacting the **National Voter Registration Act** ("Motor-Voter"). The Motor-Voter law has already created the greatest expansion in the voter registration rolls since the 19th century.

- The President fought for and signed into law the **Lobbying Disclosure Act**. The Act is the first overhaul of lobbying rules in 50 years and requires lobbyists to disclose whom they work for and eliminates loopholes that allow lobbying organizations to avoid.

- In the 1995 State of the Union Address, President Clinton challenged the Congress to ban gifts, meals, travel and entertainment from lobbyists. The Congress subsequently passed the **gift ban** on November 16th, 1995.

- The President supported and signed the **Congressional Accountability Act** to ensure that the same laws apply to Congress as to the rest of America.

- In 1993, President Clinton proposed, and Congress passed, legislation ending the tax-deductibility of lobbying expenses, the **"lobbyist loophole"** which had allowed corporations and others to deduct the cost of their lobbying.

- The President imposed the **strictest Administration ethics guidelines** ever, including a five-year ban on top officials lobbying their former agencies and a lifetime ban against lobbying for foreign governments.

- The President pushed for and signed the **line-item veto** legislation, which significantly enhances the presidential authority to eliminate wasteful spending by allowing the President to cancel wasteful special interest projects that benefit narrow interests. The line-item veto can help the President close the door on business as usual in Washington by cutting pet projects that sneak into the budget year after year. With this line-item veto, the President will have a valuable new tool to ensure that our public resources are being put to the best possible uses.

- The President enacted the **Unfunded Mandates Reform Act** to restrict Congress from passing on new mandates to state and local governments without paying for them.

- President Clinton has stood up to special interests, such as the National Riffle Association and the tobacco industry, loosening their tight hold on our legislative process. The President broke six years of congressional gridlock on anti-crime legislation and defeated the gun lobby by enacting a **ban on assault weapons** and the **Brady Law**.

- The President signed the **Presidential Executive Office Accountability Act (PEOAA),** which ensures that the Executive Office of the President lives under the same laws as the rest of the country -- this is the White House analog to the Congressional Accountability Act.

A History Of Fighting For Real Campaign Finance Reform

There is one major reform that still must be enacted: campaign finance reform.

1992 — **Campaign Finance Reform Proposal**. In the 1992 campaign, Governor Clinton proposed spending limits, free TV time, PAC limits and a ban on soft money. The current McCain-Feingold and Shays-Meehan legislation mirrors this proposal.

1993-1994 — **Campaign Finance Reform Plan**. The President and the congressional Democratic leadership proposed a reform plan that also included partial public funding for congressional candidates.

1995 — **Bipartisan CFR Commission.** In June of 1995, the President agreed with Speaker Gingrich to create a bipartisan political reform commission. The President named John Gardner and Doris Kearns Goodwin to launch the commission, but the proposed commission was never created.

1996 - 1997 — **McCain-Feingold/Shays-Meehan**. In his 1996 State of the Union Address, the President announced his support of the bipartisan campaign finance reform bill. He repeated his support throughout 1996. In the 1997 State of the Union Address the President challenged Congress to pass this legislation by July 4, 1997.